



## **PRESS RELEASE**

### **The Economic Impact of the Manufactured Housing Industry in Arizona**

#### **Manufactured Home Sales Steady Versus Arizona's General Market**

**PHOENIX, AZ** (June 15, 2009) - The economic impact of manufactured housing in the state of Arizona is once again very positive. The final figures from the Manufactured Housing Institute (MHI) and the Institute for Building Technology and Safety (IBTS) show that production and sales are still strong. According to MHI, the market share for manufactured and modular housing increased during 2008.

Over the past decade, the rate of growth of the manufactured housing industry has been dramatic. According to the U.S. Census Bureau, manufactured homes accounted for nearly a quarter of all new single-family housing starts during the 1990s. Affordability is a key factor in the growth of manufactured housing and one of the main reasons increasing numbers of consumers are choosing a manufactured home. It remains an overall better value than site-built homes, even in this decreasing value based market.

The new Federal tax credits available for many first-time homebuyers makes manufactured housing even more attractive, including a new USDA Guaranteed Loan program with zero down payment and 102 percent funding, and the recently enacted first-time home buyers tax credit up to \$8,000 that does not require repayment.

In addition to its affordability, today's manufactured home also offers the quality, value and technologically-advanced features that homebuyers desire. Homebuyers can choose from features such as vaulted ceilings, walk-in closets, fireplaces, state-of-the-art appliances and spas. Spacious floor plans, customization packages, two-story models and exterior designs compatible with almost any neighborhood are attracting consumers, as well as builder-developers who are using manufactured housing in their subdivisions in increasing numbers.

The many benefits of today's manufactured homes are being recognized by consumers, builder-developers, and public officials alike. More people realize that manufactured housing can provide them with the best housing value and quality. With continued advances in technology and public acceptance, manufactured housing is positioned to be a major provider of quality housing throughout the 21st century.

With nearly 3,000 manufactured housing communities and retailers in Arizona, manufactured homes are an important part of the Arizona lifestyle. Beyond that, manufactured housing adds a significant amount to Arizona's yearly economy. The manufactured housing industry alone employs almost 5,500 people, with wages approaching \$191,000,000.

In the wake of the increased demand for manufactured housing, the economic impact on the state of Arizona has followed suit. The total economic impact of the industry in Arizona during 2007 was nearing \$850,000,000. That number is projected to approach \$1 billion for 2008 even in this declining market. These numbers are based on the most conclusive data available and is always done by review one year in advance.

The great news for the consumer is that with manufactured housing, the average home buyer can still afford a quality built, comfortable, energy efficient, and secure new home of their own without sacrificing the amenities. In fact, 74% of manufactured homes are situated on private land vs. leased land. Projections show that manufactured housing continues to make up a large portion of all new home construction through the year 2007. That projected growth will add tremendously to the economic impact, which is already significant, on the state of Arizona.

The Arizona Housing Association is dedicated to increasing home ownership opportunities in Arizona by focusing on image improvement, zoning equality and customer satisfaction. Its membership includes Manufacturers, Retailers, Developers, Lenders, Contractors/Installers, Suppliers, and Brokers of Pre-Owned Homes. AHA has a legislative and regulatory program designed to protect and promote the interests of the industry. It also conducts educational programs designed to address members' needs and industry issues.

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